

Outlook for 2020

Ready to exploit opportunities.

Digitalization continues its transformative onward march. The growth opportunities in the semiconductor and fabrication equipment markets are intact. The new 5G standards, logic chips and foundries (contract manufacturing of semiconductors) are all on the threshold of a new growth surge. The market for memory chips is progressively recovering, as inventories have largely been drawn down and prices are rising again.

However, the impact of the coronavirus on supply chains is still difficult to assess in all markets. At the moment there are no major supply bottlenecks for the Comet Group. In the event that supply delays occur, Comet has contingency plans in place that can be activated at any time. Conversely, Comet is also ready to address a strong rise in demand once the coronavirus situation eases. Industry analysts continue to expect a recovery in the semiconductor market compared to last year, although delays in installations cannot be ruled out. In the X-Ray Systems business, Comet is making every effort to bring those systems into operation as soon as possible that currently cannot be installed due to travel restrictions at

customers. Some delays are likely, however.

Comet is on track with its focus strategy and is systematically driving forward the implementation of the Boost initiatives to increase sales and improve efficiency.

"In 2020 we are continuing to work rapidly to implement our initiatives, with the positive trend in the semiconductor market to our advantage."

Heinz Kundert,
Chairman of the Board of Directors and interim CEO



Thomas Wenzel (President, X-Ray Systems), Stephan Hafert (President, X-Ray Modules), Heinz Kundert (Chairman and interim CEO), Michael Kammerer (President, Plasma Control Technologies), and Eric Dubuis (Chief Information Officer)

Due to the coronavirus-related low visibility, Comet currently chooses not to issue a forecast for the full year 2020.

Plasma Control Technologies

The growth drivers in the semiconductor market are intact. Based on research by industry analysts and on customer signals, Comet expects a further recovery. However, it is also prepared to address any changes in demand related to Covid-19. In 2020 the division is focusing on key projects through which it intends to strengthen or expand its position in existing markets, such as that for generators: Plasma Control Technologies is working at high speed to ready its new radio frequency generator for the market and for volume production, and to start building the first generators at the new

location in Aachen, Germany. As well, the division will continue to develop the next generation of controls for impedance matching networks. In Penang, Malaysia, together with its local partner, it will put in place manufacturing capacity in the course of the year and begin production. In addition, Plasma Control Technologies will further develop its capacitors to accommodate customers with more demanding requirements and address new applications in the semiconductor market.

X-Ray Modules

X-Ray Modules will work intensively in 2020 on its entry into the important future growth market of the electronics and semiconductor industry, will evaluate OEM partners and specify its newly

developed products to fit the applications of selected partners. To this end, while taking into account the current developments around the coronavirus, it will invest judiciously in expanding its personnel in the areas of marketing, sales and product management.

It will incorporate the open microfocus tubes of its sister division into its product portfolio and further develop them, with the medium-term aim of making them accessible to a broader customer base in the electronics, semiconductor and general non-destructive testing market.

X-Ray Modules will also continue to flexibly expand its manufacturing capacity and position itself even closer to its customers. To do so, it will examine the case for performing labor-intensive, non-critical steps in the manufacturing process of new products at the Group's new site in Malaysia and will work to enhance the division's supply chain.

X-Ray Systems

In 2019 the X-Ray Systems division will methodically continue its transformation process begun in 2019. In the medium term in its three core markets of electronics & semiconductor, automotive, and aerospace, the division sees attractive potential, with growth drivers that differ in strength but are sustainable. For 2020, for market and transformation reasons, it expects sales to be lower than in the year under review. Covid-19 is currently hampering the installation of some individual systems at customer sites, but X-Ray Systems is doing its utmost to catch up as quickly as possible. Thanks to the advancing digitalization, the demand for inspection technology for 3D packaging in the electronics market is expected to increase. In the automotive market,

investment is predicted to be restrained due to the structural changes in the industry. The division's gradual exit from customized systems will also be reflected in financial results. Under the Boost program, the top objectives for X-Ray Systems in 2020 are to further standardize processes and product platforms, and transfer the development of the open microfocus tubes to the X-Ray Modules division. Another major priority is the expansion of capabilities in data analytics, artificial intelligence and machine learning. In this area, X-Ray Systems will step up investment in order to increasingly offer digital-based services.